PRESIDENT'S TAX POSES EASY ISSUE, TWO ON PANEL SAY

[illegible] and Schneebeli Would [illegible] the Matter in Hands of the Committee's Staff

By EILEEN SHANAHAN

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WASHINGTON, Dec. 8—Two Republican members of the Congressional committee that will review President Nixon's tax returns said today that they thought the matter was a [illegible] simple one that could be left largely to the committee's staff.

[illegible] member disagreed [illegible] and expressed the view that the committee would be faced with some extremely [illegible] problems that might require it to hear witnesses, rather than merely examine documents.

[illegible] before the Joint Committee on Internal Revenue Taxation, he said, include more than [illegible] interpretations of law as applied to Mr. Nixon's tax payments. There are issues of fact [illegible] in dispute, including such touchy ones as whether [illegible] documents were deliberately backdated to permit the President to qualify for a tax deduction that has saved him $23[illegible] in Federal income taxes.

[illegible] Nonpartisan

The [illegible] members who said the [illegible] was relatively simple were Senator Carl T. Curtis of Nebraska and Representative Herman T. Schneebeli of Pennsylvania. Both men noted that the staff of the joint committee was widely regarded as among the most professionally competent and nonpartisan in Congress.

The committee member who felt there were difficult factual questions that would have to be [illegible] asked not to be quoted by name because he feared [illegible] were not [illegible] prejudging the issues.

The three men were the only ones among the 10 members of the joint committee who could be reached at home today.

Date Is an Issue

President Nixon has said that he would abide by whatever decision the joint committee makes on two controversial issues.

The first, and by far the largest in dollar terms, is whether he donated his pre-Presidential papers to the National Archives before July 25, 1969, the effective date of a change in the law that took the tax advantages out of such gifts. The donated papers were valued at $576,000 and have saved the Nixons $235,000 in taxes, according to the White

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House.

[illegible]

[illegible] joint committee may have to determine regarding the gift of the papers are the following:

[illegible]

Question of Capital Gain

As to whether a capital gains tax is owed on the sale of the San Clemente property, some of the questions are the following:

¶On what basis did Mr. Nixon's accountant, Mr. Blech, determine there was no capital gain on the sale, in view of the clear fact that the land was sold for a higher per-acre price than the Nixons had paid for it?

¶If the Nixons are using Washington, D.C., as their residence for tax purposes, as they have said they are, can the San Clemente house be called their "primary residence"? If it is not their primary residence, do they not incur a capital gains tax on the [illegible] from the sale of their New York City cooperative apartment? Such gains are tax-exempt only if reinvested in another "primary residence" within a year.

Senator Curtis said he thought, "It is obvious that the President acted in accordance with the law."

No View on Correctness

He said he thought there was really no need to refer the issue to the joint committee but that the President had done so "as an extra showing of good faith."

Representative Schneebeli did not express an opinion on the correctness of the President's tax returns but merely said he thought the legal questions could be handled by the committee's staff. He said he felt the committee was not equipped to go into the questions of evidence on the timeliness of the gift of the papers.

Other Congressional response to the President's financial disclosures was generally favorable.

The Senate Majority leader, Mike Mansfield of Montana, said he "would have to assume that what the President has done is valid unless proved otherwise."

The minority leader, Hugh Scott of Pennsylvania, said the disclosures "should end the speculation that the President was involved in any illegal financial transaction or used [illegible] for personal gain."

Meeting Not Scheduled

When the joint committee would begin its work of deciding whether Mr. Nixon owed more taxes was not clear.

The relevant documents, including Mr. Nixon's tax returns, are expected to be transmitted to committee members early this week. The committee's chairman, Wilbur D. Mills, Democrat of Arkansas, indicated that he would wait to schedule a meeting until after the documents were delivered.

Although Mr. Nixon has said he would abide by any decision that the joint committee makes about his taxes, the committee has no legal authority to require him or anyone else to amend their tax returns.

The committee does have authority to examine any tax return, and there is a specific statutory requirement that it be permitted 30 days to look at any tax return involving a refund of $100,000 or more before the refund is paid by the Government.